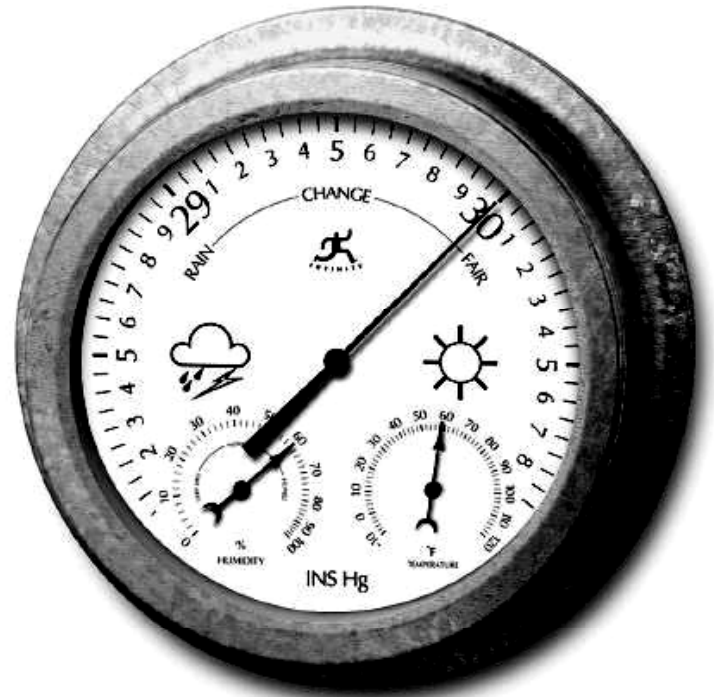


Utah!

Travel Barometer A Research & Planning Newsletter

**Division of Travel Development,
Utah's Travel Council
Spring, 2003**



The 1999/2002 European Studies Of the Salt Lake City Winter Olympic Games

By Gary Bamossy, Director, Global Business Program, David Eccles School of Business
And Stephen Stevens, David Eccles School of Business, MBA Class of 2003

Introduction:

In 1999 I was commissioned by the Division of Travel Development to do a "pre-Olympics" survey of Europeans regarding their awareness and knowledge of the American West, and the State of Utah. In the Fall of 2002, following the Winter Games, I supervised the "post-Olympic" European survey. In total, the Division's European research efforts have resulted in a unique data set of responses from over 5,000 Europeans in France, Italy, Germany, the U.K., and The Netherlands. The primary research objectives of the Division's research program are to:

- (1) Explore the dynamics of consumer awareness and image regarding Utah for improved targeting and messaging, and
- (2) Probe consumer awareness for impressions of the Olympics that can be recalled in future messages.

This "pre-post" study will be used in their on-going efforts to assess the impact of the Olympic Winter Games on the state's image and tourism industry. A full copy of the report can be obtained from the Division's online research center at travel.utah.gov.

Continued on Page 2

Also In This Issue

"The Road Ahead", by Peter Yesawich, pg. 3

Wildlife Watching Survey, pg. 4

Trade Show Tool Kit, pg. 5

2002 Most Visited Attractions, pg. 5

Thoughts On Communication, pg. 5

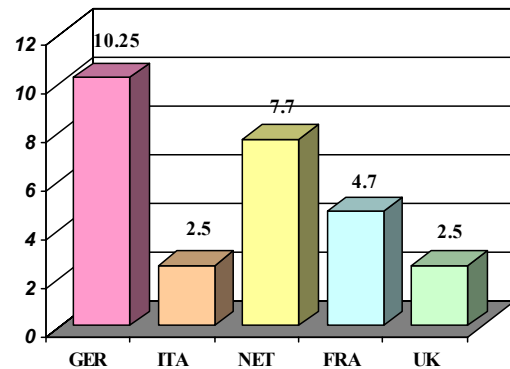
4th Quarter and Year-End Visitor Statistics, pg. 6

Highlights of the 1999 and 2002 Studies:

- European television broadcasts of the Winter Games accounted for over 50% of the entire global coverage¹, and the Germans and Dutch were among the most avid in this study. Given the German's overall medal harvest, and the Dutch's dominance in speed skating, this isn't surprising. On average, the Germans watched over 10 hours of coverage per week during the Games. Figure One (above) gives an overview of the five countries in this study. While the average for all five countries was 5.5 hours per week, over 50% of the respondents watched 12 or more hours per week. The real fanatics (the top 10 percent) watched from 15 to 80 hours per week!

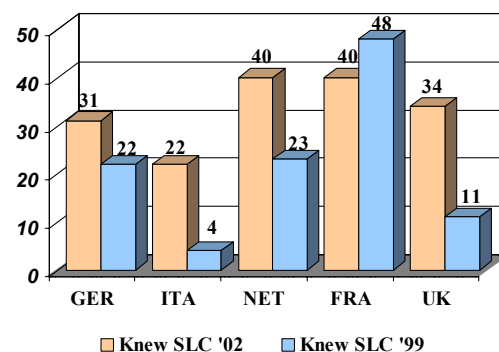
¹(*Global TV Report, Sports Marketing Survey, 2002.*)

TV Hours per Week



- In 1999, only 1 in 5 European respondents could correctly identify Salt Lake City as the host of the 2002 Winter Olympic Games. In the 2002 study, this increased to 1 in 3. Of those respondents who reported being *very likely* to visit the American West within the next two years, 1 in 2 knew that Salt Lake City was the Olympic Host City. Only the French showed a decrease in awareness of Salt Lake City as the host city between the two studies. Overall, the sample results show a highly significant increase in awareness of Salt Lake City as the Olympic Host City between 1999 and 2002.

Awareness of SLC as Host of 2002 Olympic Winter Games



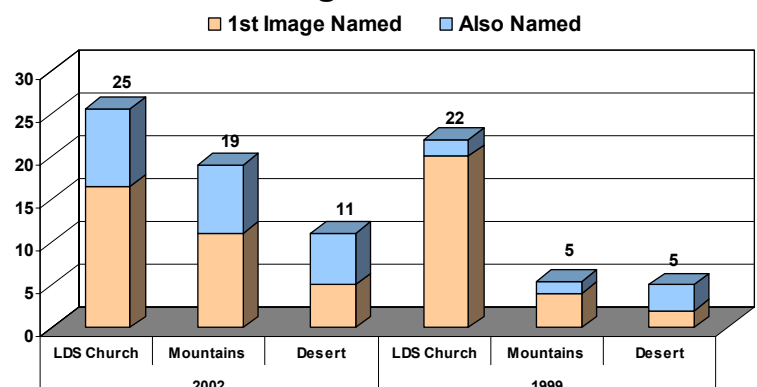
- In contrast to the awareness of the *city* of Salt Lake, the *state* of Utah was, and is, less well known. In 1999, only 1 in 10 Europeans could correctly name Utah as the host state, while this increased to 1 in 6 following the Games.

- While only 6.5% of the respondents reported having been to the American West within the past two years, 1 in 3 of that sub-group reported being *very interested* in coming back to the America West again within the next two years. The American West has strong "repeat visit intentions", and other UTC studies have consistently shown that Utah is a key destination for a Europeans' second visit to the American West. Based on their impressions of Utah during the Olympic Games, 1 in 10 respondent reports being *very interested* in booking a holiday to Utah within the next two years.

Continued on Page 3

All in all, the Olympic Games have clearly done a good job in increasing the

Images of Utah



awareness and interest in the American West, and in visiting Utah.

- When asked “what images come to mind when you think of Utah”, the LDS Church continues to hold the “top-of-mind” recall, scoring highest in both 1999 and 2002. The strongest increase in image awareness between the two studies was “mountains” followed by the “desert”.

“The Road Ahead”

By Peter Yesawich, YP&B, Yankelovich Partners

By the time you read this we will probably have a good indication of how the conflict in the Middle East will play out and, importantly, the corresponding impact on the U.S. travel industry. Two possible scenarios are likely.

The first scenario calls for a swift resolution of the “problem” through decisive and formidable military action, with minimal repercussions here at home and elsewhere in the world. If true (and if many of the oil fields are left standing), the

“Iraqwarphobia” that is now depressing both leisure and business travel is likely to dissipate quickly and we will probably see a welcomed spike in demand. Consumers will once again consider more exotic vacation destinations; corporations will actively seek sites and facilities for meetings and conventions; and the airlines will gradually add back some of the capacity that is now mothballed in the desert.

The other scenario is less sanguine. It calls for a protracted conflict that could spread quickly to other parts of the Middle East and perhaps around the world. Acts of terror will once again be committed here at home. Oil could go as high as \$40 per barrel, thereby spiking the cost of both gasoline and jet fuel. Capital investment by corporate America (including investment in hotels and resorts) will come to a grinding halt regardless of the cost of money. And travel suppliers, will roll out steep discounts to get anxious travelers back in motion.

Clearly, we all hope it will be the former, but prudence calls for consideration of the latter. In this regard, it is worth remembering the hard lessons we learned in the aftermath of 911:

- Expect demand from business travelers to be adversely affected in the short term, but driven more by economic factors in the near and long term. The last 15 months have reaffirmed that demand for business travel services is relatively inelastic. Stated another way, discounting doesn’t motivate many business travelers to take a business trip they otherwise wouldn’t. Accordingly, price-cutting in the aftermath of the consequences of another war in the Middle East is not a prudent strategy to drive incremental revenue from business travelers;
- Expect demand from leisure travelers to drop in the short term, followed by slow but certain growth that is stimulated by promotional pricing. The last 15 months have also reaffirmed that Americans view their vacations as a birthright. Yes, they now take vacations differently than they did in the late 90s, but they still see travel as an essential part of their lifestyle;
- Advertising can be effective, but only if targeted to well-defined prospects and inclusive of a compelling call to action. Although provocative and patriotic, much of the advertising run by travel service suppliers in the aftermath of 911 was woefully ineffective as it sold “the emotion” not “the offer.” Don’t make the same mistake twice:

Continued on Page 4

- Existing patrons are most likely to respond to promotional programs designed to stimulate business in the short term. To capitalize on this opportunity, however, you need access to a comprehensive data base of customers in electronic form, thereby enabling the customized and rapid delivery of marketing messages (there's no better time than now to start asking patrons for their email address);
- Expect travelers to select destinations closer to home. Concerns about distant and international travel will, once again, translate into a migration of travelers to drive destinations as well as destinations closer to home;
- Expect an increase in demand from family travelers. One of the legacies of 911 is the elevated importance of family and friends in our lives. The tragedy forced many of us reevaluate our priorities, and the desire to spend more time with loved ones is a direct result;
- Expect another rush to the online world by consumers who know it's a buyers' market. The population of active Internet users spiked by over 15% in the 8 months immediately following September 11th, and fully 4 out of every 10 users surfed the net to find promotional fares or rates. Look for another wave of Internet use should market circumstances precipitate deep discounting by travel service suppliers.

Clearly, we all hope we will maneuver the challenges that lie ahead in a manner that minimizes the adverse impact on our country, our economy and our industry. But it is prudent to be prepared to market through the haze if necessary.

"The Road Ahead" is a monthly Internet publication. This piece is from the February, 2003 Issue.

Survey Finds More Than \$555 Million Spent on Wildlife Watching Activities in Utah

More than \$555 million was spent on wildlife watching activities in Utah in 2001, according to the 2001 National Survey of Fishing, Hunting and Wildlife Associated Recreation.

The survey also found that wildlife-watching expenditures in Utah more than doubled in five years. In 1996, \$236,626,000 was spent on wildlife-watching activities in the state. By 2001 that figure had climbed considerably, with \$555,710,000 spent on wildlife-watching activities in Utah that year.

Conducted by the U.S. Fish and Wildlife Service, the 2001 survey also found that 82 million U.S. residents (39 percent of the population 16 years of age and older) participated in wildlife recreation activities in 2001.

Wildlife-related recreationists consisted of 34 million anglers, 13 million hunters and a whopping 66 million wildlife watchers!

The 2001 survey also found that wildlife-watching expenditures amounted to \$38 billion, with wildlife-watching enthusiasts spending an average of \$374 per year (with an average trip expenditure of \$22 per day) on wildlife watching activities.

"The amount of money wildlife watchers are contributing to the national and state economy is considerable and probably surprising to most people," said Bob Walters, Watchable Wildlife program coordinator for the Division of Wildlife Resources.

A link to the survey mentioned here is found on travel.utah.gov in the special reports section of the research and planning page.

Trade Show Tool Kit Now Available

The Division's new Trade Show Tool Kit is now available for Utah tourism partners to use at trade shows. It features our new *Utah! Connect* brochure and a backlit bubble display panel.

The brochure provides a strong photographic overview of the Salt Lake area, our national parks, year-round recreation and entertainment, heritage, business environment, Olympic legacy and easy accessibility.

The backlit bubble display stands about eight feet tall and can be easily transported as check-on luggage in a single container. It features outdoor recreation in northern and southern Utah landscapes, as well as Salt Lake City's Olympic legacy. Pennants will be added to the kit from time to time.

Contact [Dwight Rimmasch](mailto:dwightr@utah.gov) at dwightr@utah.gov for more information on taking advantage of the Trade Show Tool Kit.

Thoughts On Communication

"Once a society loses this capacity [for dialogue] all that is left is a cacophony of voices battling it out to see who wins and who loses. There is no capacity to go deeper, to find a deeper meaning that transcends individual views and self-interest. It seems reasonable to ask whether many of our deeper problems in governing ourselves today, the so called 'gridlock' and loss of mutual respect and caring ... might not stem from this lost capacity to talk with one another, to think together as part of a larger community."

Peter M. Senge, "A View of Institutional Leadership" in *Reflections On Leadership*

2002 Most Visited Attractions in Utah

1. LDS Temple Square	5-7 Million*
2. Zion National Park	2.6 Million
3. Glen Canyon National Recreation Area	2.1 Million
4. Wasatch Mountain State Park	1.2 Million
5. Lagoon Amusement Park	1.1 Million
6. Flaming Gorge National Recreation Area	917,000*
7. Bryce Canyon National Park	886,000
8. LDS Family History Research Centers	803,000
9. Arches National Park	770,000
10. Grand Staircase-Escalante National Monument	670,000

* Unofficial Estimate

Utah! Travel Barometer

**A publication of the
Division of Travel Development**

Dean Reeder, Director,
Stacey Clark, Barometer Editor
Jon Kemp, Research Coordinator

Council Hall, Salt Lake City, UT 84114
801-538-1900, FAX 801-538-1399

Travel Development Board

Randy Harmsen – Chair,
Howard Brinkerhoff, Jon Brinton,
Joe Houston, Vicki McCall, Stan Parrish,
Terry Porter, Gayle Stevenson, Lucille Tuttle

**A Division of the Department of
Community and Economic Development,**

David Harmer, Director
Michael O. Leavitt, Governor

**Visit Utah! Online
at utah.com or travel.utah.gov**

Utah!

Where Ideas Connect

Utah Division of Travel Development,
300 North State Street
Salt Lake City, UT 84114

PRSRT FIRST CLASS
U.S. POSTAGE PAID
SLC UT 841
PERMIT # 4621

Return Service Requested

2002 4th Quarter & Year-End Visitor Statistics

Segments	Oct	Nov	Dec	2002	2001	% Change
S.L. Int'l Airport Passengers	1,503,827	1,390,389	1,668,458	18,652,758	18,819,131	-0.9%
National Park Recreation Visits	475,511	202,526	117,027	5,202,890	4,946,487	5.2%
Nat'l. Monuments/Recreation Areas	295,965	178,782	57,697	3,458,697	3,852,236	-10.2%
Utah State Parks	312,286	159,740	155,603	5,755,782	6,075,456	-5.3%
Utah Welcome Centers	48,969	26,565	26,772	676,781	660,398	2.5%
Hotel/Motel Occupancy Rates	58.7%	48.2%	47.8%	62.1%	59.9%	2.2%